

SOUTHERN ENVIRONMENTAL LAW CENTER

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April 6, 2021

VIA EMAIL

The Honorable Jocelyn G. Boyd
 Chief Clerk/Administrator
 Public Service Commission of South Carolina
 101 Executive Center Drive
 Columbia, South Carolina 29210
contact@psc.sc.gov

Re: Workshop on April 16, 2021 Concerning Electric Systems and Gas
 Systems

Dear Ms. Boyd:

I intend to participate in the April 16, 2021 workshop concerning electric systems and gas systems.

On behalf of the Southern Environmental Law Center, Upstate Forever, and Friends of Beaverdam Creek, attached is a proposal to address serious concerns related to landowner property rights, property values, transparency, fairness, environmental concerns, environmental justice, community protection, and consumer and ratepayer protection when gas utilities propose to build pipelines using the power of eminent domain.

All three organizations have worked to prevent Piedmont Natural Gas from building a new natural gas pipeline through a rural, beautiful, and environmentally sensitive area of northern Greenville County above Travelers Rest. The Friends of Beaverdam Creek is a local organization of property owners and residents who organized to oppose the pipeline. All three organizations presented in the Generic Proceeding that the Commission held concerning the proposed pipeline.

As the Commission heard in two Generic Proceedings, there are very serious concerns with the way that gas utilities decide whether to build new pipelines and how they interact with the communities through which they propose to build these pipelines. The two proceedings highlighted the problems caused by for-profit gas utilities, which are part of super monopolies that control both electricity and gas monopolies, making decisions based on their own proprietary interests without adequate public information, discussion, and consideration in advance of a decision to build a new pipeline. The monopolies can decide on their own to build redundant energy distribution systems that serve the same needs, charge the ratepayers, and profit from unnecessary redundancy. The gas utilities make these decisions in the dark without public input or public notice.

Private landowners are entirely uninformed until they receive letters seeking permission to survey properties, without any disclosure of the proposed routes, the purported justification for the pipeline, or the impact of the pipeline on the community where the landowners live. As was shown in the case of Piedmont Natural Gas, the gas utility can act without knowledge of the impacts of its pipeline routes or the reaction of the public, because it makes its decisions in secret and in ignorance of many of the important factors.

And presently there is no established procedure for approval in advance of the proposed pipeline. Instead, the gas utility makes a unilateral decision and comes after-the-fact to the Commission for recovery of its costs and profits.

This entire process is backed up by the force of the exercise of eminent domain upon private landowners and individual citizens by a for-profit gas utility, part of a utility super monopoly, and the threat of involuntary taking of the property of individual property owners. Their homes, farms, businesses, family heritage, investments, and peace of mind can be seriously disrupted without any public input, without full disclosure, without an opportunity for the public to comment, and without any determination of the public interest.

The Commission can fix these problems. Under S.C. Code § 58-5-210, the Commission is “vested with power and jurisdiction to supervise and regulate the rates and service” of public utilities and to adopt “standards, classifications, regulations, practices and measurements of services to be . . . observed and followed” by public utilities.

The attached proposal makes transparent the process by which gas utilities decide to build new lines and exercise eminent domain in communities. It provides opportunity for public input. It ensures that landowners, who are not familiar with eminent domain laws or gas utility operations, are not caught by surprise or made victims of confusion. It greatly reduces the possibility of landowners being misled. It requires that the community’s interests be taken into account when a gas utility proposes to build a new pipeline through a landscape and exercise the power of eminent domain. It ensures that the concerns, ideas, and knowledge of the public and the local community are part of the decision-making process. And it prevents the imposition of redundant charges upon ratepayers and the local economy to benefit the profits of super monopolies, when there is no real need for ratepayers to pay the bill for redundant facilities.

This proposal protects property rights, provides for transparency, ensures community input, and protects ratepayers. We ask the Commission to consider and adopt it. Thank you for your consideration.

Sincerely,



Frank S. Holleman III
Senior Attorney

Cc: Jeffrey M. Nelson, Esq., Office of Regulatory Staff

Attachment